

Implementation Grant Program Request for Proposals (Submittal to the California State Water Resources Control Board)

FUNDING FROM U.S. ENVIRONMENTAL PROTECTION AGENCY

FY 2006 and 2007 Targeted Watersheds Grant Program: Availability of Funds and Request for Proposals for Implementation Projects (CFDA 66.439 - Funding Opportunity Number EPA-OW-OWOW-06-3)

PLEASE NOTE that the deadline for submitting proposals to the State Water Resources Control Board is October 2, 2006 for review, evaluation, and submittal to the Governor.

FUNDING AGENCY: U.S. Environmental Protection Agency (USEPA)

ACTION: Notice of Availability of Funds and Request for Proposals for Targeted Watersheds Implementation Projects

SUMMARY: This notice announces the availability of funds for grants and cooperative agreements under USEPA's Targeted Watersheds Grant Program. The Targeted Watersheds Grant Program is a competitive grant program designed to support the protection and restoration of the country's water resources through a holistic watershed approach to water quality management. In federal fiscal year (FY) 2006 Congress appropriated over \$16 million for the program. The USEPA is soliciting proposals under this announcement for implementation projects from the states and tribes, and under a separate announcement for capacity building projects. The USEPA anticipates additional funding for the Targeted Watersheds Grant Program in FY 2007. To meet the USEPA deadline in California, the State Water Resources Control Board must receive complete applications by October 2, 2006.

Under this announcement, USEPA will award nationwide approximately 9 to 20 grants or cooperative agreements for restoration and/or protection efforts. Anticipated awards will range from approximately \$600,000 to \$900,000 each and have a project period of three to five years. The total amount anticipated to be awarded under this announcement will range from \$7.1 million to about \$16 million (these totals represent combining a portion of both 2006 and anticipated 2007 Targeted Watersheds Grant funds)--the total amount to be awarded under this announcement will depend upon the FY 2007 funds and the quality of proposals received. Under this announcement, applicants must submit to the State Water Board FIVE hard copies and ONE CD copy of their proposals. (See [Section IV](#) for additional submission information and requirements.)

DATES: Proposals must be received by the State Water Board by 5:00 p.m. October 2, 2006 to the contact and address below. Proposals received after this deadline will not be considered.

ADDRESS: Lauma Jurkevics, Division of Financial Assistance, State Water Resources Control Board, 1001 I Street, 15th floor, Sacramento, CA 95814; telephone: 916-341-5498.

FOR FURTHER INFORMATION CONTACT: For questions regarding this action, please contact the appropriate regional USEPA contact person listed in [Section VII](#) of this notice. A copy of USEPA's full announcement and additional information on the program can be found on the Targeted Watersheds Grant website at <http://www.epa.gov/twg>. The announcement is also synopsized on <http://www.grants.gov>. **Note that to facilitate the California process, clarification on procedure has been added in this notification.**

SUPPLEMENTARY INFORMATION

Overview Information

Section I. Funding Opportunity Description

Section II. Award Information

Section III. Eligibility Information

Section IV. Application and Submission Information

Section V. Application Review Information

Section VI. Award Administration Information

Section VII. Agency Contacts

Overview Information

The Targeted Watersheds Grant Program encourages watershed practitioners to examine local water related problems in the context of the larger watershed in which they exist, to develop solutions to those problems by creatively applying the full array of available tools, including federal, state, and local programs, and to restore and preserve water resources through strategic planning and coordinated project management that draw in public and private sector partners. Both the watershed approach and the Targeted Watersheds Grant Program focus on multi-faceted plans for protecting and restoring water resources that are developed using partnership efforts of diverse stakeholders. Hence, the goal of the Targeted Watersheds Grant Program is to advance successful partnerships and coalitions that have completed the necessary watershed assessments and have a technically sound watershed plan ready to implement.

Federal Agency Name: U.S. Environmental Protection Agency

Funding Opportunity Title: FY 2006/2007 Targeted Watersheds Grant Program: Request for Proposals for Implementation Projects

Announcement Type: Request for Proposals

Funding Opportunity Number: EPA-OW-OWOW-06-3

Catalogue of Federal Domestic Assistance (CFDA) Number: 66.439

Date: **Proposals must be received by the California State Water Resources Control Board by October 2, 2006.** Proposals received after this deadline will not be considered.

I. Funding Opportunity Description

A. Targeted Watersheds Grant Program Objectives

To achieve environmental goals, USEPA encourages the adoption of a watershed approach as a broad coordinating process for focusing on priority water resource problems. Using a watershed approach, multiple stakeholders integrate regional and locally led activities with local, state, tribal, and federal environmental management programs. These environmental goals should ultimately protect and restore the health of the nation's aquatic resources, which not only includes but goes beyond meeting water quality standards.

The Targeted Watersheds Grant Program encourages watershed organizations and practitioners to examine local water related problems in the context of the larger watershed in which they exist, to develop solutions to those problems by creatively applying the full

array of available tools, including federal, state, and local programs, and to restore and preserve water resources through strategic planning and coordinated project management that draw in public and private sector partners. Both the watershed approach and the Targeted Watersheds Grant Program focus on multi-faceted plans for protecting and restoring water resources that are developed using partnership efforts of diverse stakeholders. Hence, the goal of the Targeted Watersheds Grant Program is to advance successful partnerships and coalitions that have completed the necessary watershed assessments and have a technically sound watershed plan ready to implement.

In accordance with the President's focus on building a cooperative ethic in all environmental conservation and protection activities, the Targeted Watersheds Grant Program empowers watershed organizations and practitioners to collaborate and implement environmental change. Overcoming many water quality problems requires the involvement of local citizens who have a vested interest in the creeks, rivers, lakes, estuaries, wetlands, and groundwater flowing through their neighborhoods and towns. Moreover, it is organized and sustainable partnerships comprised of an array of governmental and non-governmental entities that are the most successful in improving water resources and achieving on-the-ground results. The program is intended to encourage the kind of proactive and incentive based protection and restoration measures that will yield cleaner water and protect ecosystems. By furnishing funds to watershed organizations or practitioners, the USEPA can foster the President's cooperative conservation ideal by ensuring that affected stakeholders have the means necessary to actively participate in the watershed restoration process at local, state, and federal levels.

B. National Priorities

Under this announcement, USEPA is soliciting proposals for projects that will result in the protection, preservation, and restoration of a watershed that incorporates a watershed-based approach. Finding solutions to water quality problems requires sustainable approaches that can be aligned with core water programs. USEPA is looking for innovative ways to address water quality problems that will result in tangible, measurable environmental results in a relatively short time frame. For example, market-based approaches can create social and economic incentives for implementing creative pollution reduction strategies and water protection measures. Market-based trading projects are considered an important component of innovation. One of the Assistant Administrator's key market-based priorities for protecting and restoring watersheds is the development of water quality trading pilots with states and other partners.

Proposals for watershed restoration and/or protection projects must include a monitoring component. Activities proposed for funding are not required to address the entire watershed, but are expected to have been based on a comprehensive assessment and plan for the watershed. As such, all activities should directly support the described watershed plan and Targeted Watersheds Grant funds should be used in accordance with the plan. Examples of successful proposals from past competitions can be found on the web site at <http://www.epa.gov/twg>.

Watershed proposals must be nominated by Governors or Tribal Leaders. **In California, non-Tribal proposals must be submitted to the State Water Resources Control Board for review, evaluation, and submittal to the Governor.**

C. EPA's Strategic Plan and Anticipated Environmental Results

The Targeted Watersheds Grant program is linked to USEPA's Strategic Plan (2003-2008 USEPA's Strategic Plan). It is predicated on the concept that watersheds are improved most effectively and efficiently by managing water resource use and water quality on a watershed basis. The Targeted Watersheds Grant Program supports USEPA's strategic goals (<http://www.epa.gov/ocfo/plan/plan.htm>) to improve and restore impaired water quality on a watershed basis and facilitate ecosystem-scale protection and restoration under USEPA

Strategic Plan Goal 2 - Clean and Safe Water, Objective 2.2 (Protect Water Quality), Sub-objective 2.2.1 (Protect and Improve Water Quality on a Watershed Basis) and Goal 4 - Healthy Communities and Ecosystems, Objective 4.3 (Ecosystems), Sub-objective 4.3.1 (Protect and Restore Ecosystems).

By supporting the implementation of comprehensive watershed projects, these grants will also support the Administrator's Sustainable Infrastructure priority to develop innovative, market-based, and sustainable solutions for water infrastructure financing and management. In accordance with the goals and objectives in the Strategic Plan, the Targeted Watersheds Grant Program aims to advance projects beyond the planning stage to the point of producing tangible environmental results. Therefore, a high priority is to support projects that are likely to achieve quantifiable outcomes within the project period. Applicants for the FY 2006/2007 funds must include specific statements describing the environmental results of the proposed project in terms of well-defined "outputs" and to the maximum extent practicable, well-defined "outcomes".

All proposed projects must be linked to environmental results and demonstrate how they will contribute to the ultimate goals of clean and safe water and healthy communities and ecosystems. Environmental results are used as a way to gauge a project's performance and are described in terms of output measures and outcome measures. The term "output" means an activity, effort, and/or associated work product related to an environmental goal or objective that will be produced or provided over the period of time or by a specific date. The term "outcome" means an environmental result, effect or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective. Outcomes may be short-term (i.e., changes in learning, knowledge, attitude, skill), intermediate (i.e., changes in behavior, practice, or decisions), or long-term (i.e., changes in condition of natural resources).

In addition to environmental outcomes, other relevant outcomes can be behavioral, health-related, or programmatic in nature and need to be identified. An example is increasing the watershed approach information available to local and state decision-makers who write and implement laws, ordinances, and permits. In this context, certain efforts designed to increase the watershed approach knowledge of decision-makers can be viewed as environmental outcomes (results) if the grantee can show or measure the improvement in the knowledge of decision-makers who are in the position to create institutional changes that are necessary to restore or protect the environment. In such instances, "outcomes" are not measured typically by environmental or water quality indicators, but rather by institutional indicators related to the adoption and application of laws and regulations, and the active management of programs necessary to provide environmental protection.

Additional information regarding USEPA's definition of environmental results in terms of "outputs" and "outcomes" can be found at: <http://www.epa.gov/ogd/grants/award/5700.7.pdf> or <http://www.epa.gov/water/waterplan/documents/FY06NPGappendix-b.pdf>.

Outcomes expected as a result of the awards under this announcement could include:

- Actual on-the-ground water restoration or protection projects put in place.
- Baseline and resulting water quality monitoring data that indicate measurable environmental improvement.
- Local ordinances passed aimed at protection and restoration of water quality.
- Enhanced public participation and awareness of water quality issues at the community level.
- Transfer of knowledge among watershed groups across the nation.
- Improved water quality, Clean Water Act (CWA) Section 303(d) delisting of streams, or increased recreational use of water bodies.

For example, for a project aimed at reducing in-stream sediment loads, an expected output under this announcement could be the number of trees planted, the miles of riparian buffer restored, the number of culverts repaired, or other best management practices (BMPs) installed. The expected outcome of the particular activity would indicate the expected sediment reduction to be achieved (e.g., cubic yards) in a specified time period relative to the overall goal (e.g., achieving a water quality standard, delisting a stream segment listed as impaired under CWA Section 303(d), or attaining a milestone under a TMDL).

In another example, a proposal for an urban watershed may be focused on reducing stormwater runoff and bacterial contamination. The anticipated output of this activity could be the number of septic systems retrofitted, the number of farmers who install livestock fencing, or the number of homeowners who participate in a rain barrel program. Anticipated outcomes of this project could be a reduction in fecal coliform concentration, a rise in macroinvertebrate populations, or the number of days a waterbody displays a "blue flag" (i.e., is safe for swimming, fishing, or boating).

D. Key Program Changes from FY 2005

This year, USEPA is making several important changes to the Targeted Watersheds Grant Program to make it more effective in addressing the USEPA's goals and to streamline review procedures. Key changes are described below and are explained in greater detail in later Sections of this notice.

First, in an effort to improve efficiencies, USEPA is combining its FY 2006 and anticipated FY 2007 funds into one solicitation. The total amount to be awarded under this solicitation will depend upon the FY 2007 funding level and the quality of the proposals received.

Second, USEPA is eliminating the limit on the number of proposals a Governor or Tribal Leader can nominate. In previous years, Governors and Tribal Leaders were only allowed to submit two nominations for proposals that resided entirely within their state/jurisdiction. This year however, Governors or Tribal Leaders may forward more than two proposals for consideration.

Third, USEPA is restoring the geographic scope of the solicitation. While last year Chesapeake Bay watershed projects were excluded from the national competition, this year projects that are in the Chesapeake Bay watershed are eligible to compete.

Fourth, USEPA has amended the evaluation criteria. Environmental Significance has been added as a criterion. Applicants will be required to explain, and will be scored on, the importance, relevance, connection to, and applicability of the proposal to the USEPA's strategic goals. In addition, two additional criteria related to the applicant's past performance have been added. Programmatic Capability and Qualifications of the Applicant will evaluate the extent to which the applicant possesses the technical experience and administrative ability to carry out the grant or cooperative agreement, and Environmental Results Past Performance will evaluate how the applicant documented and/or reported on its progress towards achieving the expected results (i.e., outputs and outcomes) under prior agreements. This year, aspects of the Innovation criterion (e.g., new technologies or market-based trading projects) will be addressed in the Quality of Proposal criterion.

Fifth, the applicant will be allotted more space in which to describe its proposal. Instead of the 10-page, double-spaced limitation in the past, applicants will be allowed a total of 12 pages with no spacing limitations in which to present their proposals. All materials including the proposal narrative, budget narrative, grants management experience, tables, timelines, graphs, maps, and pictures must be included in the 12 pages. The 12-page limitation does not include the SF 424, the SF 424A, the Governor or Tribal Leader nomination letter(s) and the accompanying letters of support. See [Section IV](#) for more information.

Sixth, USEPA has extended the length of the grant period from three to a maximum of five years. The USEPA, in general, expects project implementation to be completed within two to three years and the monitoring component conducted continuously throughout the project period.

In addition, this will be the last Targeted Watersheds Grant Program request for proposals that will be announced in the Federal Register.

Note that even though the federal government now provides the option to apply for many grants and submit materials through a standardized electronic grants application system called Grants.gov, California proposals must be submitted in both hard copy and on CD because of the timing of this grant program.

E. Statutory Authority

The grants or cooperative agreements funded as a result of this announcement will be awarded under the independent authority contained in the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006 (P.L. 109-54) and the anticipated Department of the Interior, Environment, and Related Agencies Appropriations Act for 2007.

F. Geospatial Information

Grants awarded under this announcement may involve Geospatial Information. Geospatial data generally means information that identifies, depicts, or describes the geographic locations, boundaries, or characteristics of inhabitants and natural or constructed features on the Earth. This includes such information derived from, among other sources, socio demographic analysis, economic analysis, land information records and land use information processing, statistical analysis, survey and observational methodologies, environmental analysis, critical infrastructure protection, satellites, remote sensing, airborne imagery collection, mapping, engineering, construction, global positioning systems, and surveying technologies and activities. It also includes individual point or site specific data that are referenced to a location on the earth and digital aerial imagery of the earth.

This information may be derived from, among other things, Geographic Information Systems (GIS), Global Positioning Systems (GPS), remote sensing, mapping, charting, and surveying technologies, or statistical data. For purposes of USEPA grants, this refers to geographically based information or data or the tools, applications or hardware that allow one to collect, manage, analyze, store or distribute data in a geographic manner.

II. Award Information

Approximately \$7.1 million to about \$16 million is expected to be available for awards under this announcement (these totals represent combining a portion of both 2006 and anticipated 2007 Targeted Watersheds Grant funds) depending upon the amount of FY 2007 funds and the quality of proposals received. USEPA plans to award nationwide approximately 9 to 20 grants or cooperative agreements under this announcement. Anticipated awards will range from approximately \$600,000 to \$900,000 each, depending on the amount requested, the overall size and scope of the project, and the total amount of funds available.

Awards under this program can have up to a five-year project period, if warranted. Recipients should complete their project implementation within two to three years and continue to monitor water quality and other pertinent metrics for an additional one to two years, for a maximum of up to five years. The total project period, including any no-cost, one-year extensions provided to award recipients cannot exceed five years.

USEPA reserves the right to partially fund proposals/applications under this announcement

by funding discrete activities, portions, or phases of proposed projects. If USEPA decides to partially fund a proposal/application, it will do so in a manner that does not prejudice any applicants or affect the basis upon which the proposal/application, or portion thereof, was evaluated and selected for award, and that maintains the integrity of the competition and selection process. USEPA also reserves the right to make no awards, or fewer awards than expected under this announcement.

USEPA reserves the right to make additional awards under this announcement consistent with USEPA policy, if additional funding becomes available. Any additional selections for awards will be made no later than six months after the original selection decisions. Selected recipients will enter into a funding agreement with the applicable USEPA Regional Office (see [Section VII](#)). The Targeted Watersheds Grant Program funds both grants and cooperative agreements. Although USEPA will negotiate precise terms and conditions relating to substantial involvement as part of the award process, cooperative agreements permit substantial involvement between the USEPA Project Officer and the selected applicant in the performance of work supported by program funds. Federal involvement for projects selected may include close monitoring of the recipient's performance; collaboration during the performance of the scope of work; in accordance with 40 CFR 31.36(g), review of proposed procurements; reviewing qualifications of key personnel (USEPA does not have the authority to select employees or contractors employed by the recipient); and/or review and comment on the content of publications (printed or electronic) prepared (the final decision on the content of reports rests with the recipient).

III. Eligibility Information

A. Eligible Applicants

States, local governments, public and private nonprofit institutions/organizations, federally recognized Indian tribal governments, U.S. territories or possessions, and interstate agencies are eligible to apply. For-profit commercial entities and all Federal agencies are ineligible. Nonprofit organizations described in Section 501(c)(4) of the Internal Revenue Code that engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act of 1995 are not eligible to apply. **Note that Indian Tribes submit their proposals directly to their Tribal governments (and not to the State Water Board).**

B. Cost Sharing/Match Requirement

USEPA is requiring applicants to demonstrate in their proposal submission how they will provide the minimum non-federal match of 25 percent of the total cost of the proposal. This means USEPA will fund a maximum of 75 percent of the total project cost. In addition to cash, matching funds can come from in-kind contributions, such as the use of volunteers and/or donated time, equipment, expertise, etc., consistent with the regulations governing matching fund requirements (40 CFR 31.24 or 40 CFR 30.23). Federal funds may not be used to meet the match requirement for this grant program unless authorized by the statute governing their use.

To determine if the minimum match is met, the following formulas may be helpful:

1. Amount (\$) requested from EPA/Cost (\$) of entire project \leq 0.75, or
2. Total cost (\$) of proposal/4 = Amount (\$) needed for match.

For example, if the total cost of the project is \$1 million, the applicant must be able to provide \$250,000 in matching funds or services. In this example, the federally funded portion of the project would be \$750,000.

Note: Match errors are common. So please make sure calculations are correct.

C. Threshold Eligibility Criteria

These are requirements which, if not met at the time of proposal submission, will result in elimination of the proposal from consideration for funding. Only proposals that meet all of these criteria will be evaluated against the ranking factors in [Section V](#) of this announcement. Applicants deemed ineligible for funding consideration as a result of the threshold eligibility review will be notified within 15 calendar days of the ineligibility determination.

1. An applicant must meet the eligibility requirements as described in [Section III.A.](#)
2. Applicants must demonstrate how they will provide a match of 25 percent of the total project cost as described in [Section III.B](#) above.
3. The proposal must be nominated by a State Governor or Tribal Leader (in California non-Tribal proposals will be reviewed by the State Water Resources Control Board prior to submittal to the Governor).
4. The proposal must contain the six components as described in [Section IV.C.](#)
5. Submissions that are faxed or sent by standard U.S. Postal Service (USPS) parcel post will not be accepted, as described in [Section IV.D.](#)
6. Proposals must be received by the State Water Resources Control Board before the California solicitation closing date and time specified in [Section IV.](#) Proposals received after the closing date and time will be returned to the sender without further consideration. In addition, pages submitted in excess of the 12-page limitation described in [Section IV.C](#) will not be reviewed.

D. Funding Restrictions

USEPA has chosen to declare certain projects or activities ineligible for funding. These include activities required or regulated under the CWA. For example, activities for the development of Total Maximum Daily Loads (TMDLs) and Phase II Stormwater projects will not be funded. Activities implementing the non-regulatory component of TMDLs (e.g., the elements of a watershed plan that address non-point source pollution), however, are eligible.

The construction of buildings or other major structures, or the purchase of major equipment or machinery will not be funded under this program. Proposals containing a sub-award project (also called mini-grants) are eligible, but the portion that is to be regranted to third parties within the watershed via a smaller-scaled competition should account for no more than 20 percent of the requested funding amount. If proposals are submitted that have ineligible projects or activities, those projects or activities in the proposals will not be considered for funding.

All costs incurred under this program must be allowable under the applicable Office of Management and Budget (OMB) Cost Circulars: A-87 (States and local governments), A-122 (nonprofit organizations), or A-21 (universities). Copies of these circulars can be found at <http://www.whitehouse.gov/omb/circulars/>. In accordance with USEPA policy and the OMB circulars, as appropriate, any recipient of funding must agree not to use assistance funds for lobbying, fund-raising, or political activities (i.e., lobbying members of Congress or lobbying for other Federal grants, cooperative agreements, or contracts).

IV. Application and Submission Information

A. Address to Request Application Package

Grant application forms, including Standard Forms SF 424 and SF 424A, are available at http://www.epa.gov/ogd/grants/how_to_apply.htm and by mail upon request by calling the Grants Administration Division at (202) 564-5320.

B. Form of Application Submission

Applicants must submit their proposal using the method outlined below. All proposals must

be prepared and include the information as described in [Section IV.C](#) .

Hard Copy and Compact Disc (CD). Five hard copies of the complete proposal package as described below in [Section IV.C](#), and a CD of the complete proposal package, are required to be sent by express mail or courier service, or hand delivered. Please mark all submissions: **ATTN: TWG - Implementation** (see [Section IV.D](#) for address). The CD may be in Adobe Portable Document Format (.pdf), Microsoft Word (.doc). Letters of support and maps will need to be scanned so that they can be submitted as part of the CD. Pictures and/or computer generated maps may be included as separate files using .jpg or .tif format.

C. Content of Application Submission

Apart from the SF 424, the SF 424A, and the accompanying letters of support, the remaining parts of the proposal package (comprised of items 2-3 below) must not exceed 12 pages in length and should use a 12-point font. Pages in excess of 12 will not be reviewed. All materials including the project narrative, budget, tables, timeline, charts, graphs, maps, and pictures must be included within the 12 pages. Moreover, any appendices aside from the nomination letter and support letters will not be reviewed. Applicants are responsible for the contents of their proposals.

Each proposal package must contain all of the components listed in this section. Failure to submit any of the six components will result in disqualification and removal from the selection process.

1. Nomination letter. A letter signed by the Governor or Tribal Leader formally nominating the watershed for consideration for funding must accompany each proposal package. (This process will be handled through the State Water Resources Control Board after review of all non-Tribal applications.)
2. Proposal Narrative.
 - A. Cover page. The cover page should include:
 - i. the name of the watershed along with the designated 8-digit Hydrological Unit Code(s) (HUCs);
 - ii. the impaired waters, such as any degraded stream segments within the project area that are on the state's 303(d) list;
 - iii. nominee contact information (i.e., name, affiliation, address, telephone, and e-mail of the person with whom the Agency should correspond);
 - iv. tax status or other description of organization; and
 - v. Internet web site (i.e., URL) of the organization, if available.
 - *HUCs (also known as USGS Cataloging Units) and state 303(d) listings can be found on EPA's Surf Your Watershed web site at <http://www.epa.gov/surf/>.
 - B. Abstract. Provide a brief (approximately 150-word) executive summary of the proposal. This should include a brief description of the perceived need for the work, the proposed work, and the anticipated outputs and outcomes.
 - C. Project Narrative. The narrative description of the proposed tasks and activities must include the following sections:
 - . Characterization of the watershed. Describe the watershed, including any critical or significant natural resources, such as wetlands. Include a description of the physical, chemical, biological, ecological, socioeconomic, and cultural characteristics, including rural, urban, and environmental justice areas. Briefly describe the environmental problems and threats facing the watershed and the existing watershed plans and planning efforts addressing the

- problems and threats, including demographics of the impacts.
- i. Project need. Describe the environmental significance of the project, that is, the problem or conservation issue(s) to be addressed, why it is a priority, and the context relevant to the overall watershed plan. The objectives of the proposal and the immediate and long-term desired outcomes should be described relative to the overall environmental conditions. An assessment of the natural resource and environmental conditions and evidence of problem sources, along with the prioritization of the threats and impairments facing the watershed should be included. The prioritization should focus on those threats and impairments that will be addressed by the proposal.
 - ii. Project plan. Describe the work that will be done using Targeted Watersheds Grant funding. Identify the specific deliverables and the anticipated outcomes (i.e., quantifiable results) associated with the major project components.
 - a. Project components: Describe in detail the tasks and activities for each project for each year of the project period. Include milestones and/or timelines for accomplishing tasks for the project period. Explain how the projects fit together to benefit the watershed as a whole and are ready for implementation (i.e., feasibility). Include in this section why the proposal will work and what makes it innovative. If the proposal is a market-based trading project, describe the drivers, the buyers and sellers, and the scheme already in place so that a trade can begin.
 - b. Partnering: Describe how you will engage partners and other stakeholders in your project. Interjurisdictional watershed partnerships (i.e., those that encompass abutting areas and thus neighboring political authorities) are encouraged. Watershed proposals that encompass more than one governmental authority will be considered interjurisdictional provided that the Governor, Tribal Leader or local government elected official, or the appropriate water agency in the adjacent State, Tribe, or local government entity is a partner or otherwise supports the project(s).
 - c. Financial Integrity/Budget: Explanations of the costs associated with each project should be included. Description of costs should correspond to figures presented in the SF 424A (see item 6).
 - iii. Anticipated Outputs and Outcomes. Applicants must include specific statements describing the anticipated environmental results of the proposed project in terms of well-defined "outputs" and to the maximum extent practicable, well-defined "outcomes" (See [Section I](#) for details on outputs and outcomes).
 0. Monitoring and measuring: Describe the water quality monitoring and assessment that will be conducted consistent with the project components. Identify appropriate environmental indicators that will be monitored, and describe the method for evaluating environmental improvements. Describe the methodology (i.e., sampling, survey models, etc.) and time table that will be used to measure progress, including your approach to measuring progress towards achieving the expected project outcomes and outputs including those identified in [Section I](#).
 1. Environmental Results Past Performance: Identify federally

funded assistance agreements that your organization performed within the last three years (no more than five and preferably USEPA agreements) and briefly describe how you documented and/or reported on whether you were making progress towards achieving the expected results (i.e., outputs and outcomes) under those agreements. If you were not making progress, please indicate whether, and how, you documented why not. If you do not have any relevant or available environmental results past performance information, please indicate this in the proposal and you will receive a neutral score for this factor under [Section V](#).

- iv. Peer Outreach and Information Transfer. Describe the outreach component of the project. Describe the strategy for disseminating the results, including lessons learned, of the project among watershed organizations and governmental agencies with similar environmental challenges within the project watershed and to a wider (i.e., regional or national) audience. Describe how the project will promote and actively conduct technology transfer or provide technical assistance that improves the knowledge of state and local decision-makers.
 - v. Programmatic Capability/Technical Experience. Identify federally funded assistance agreements similar in size, scope, and relevance to the proposed project that your organization performed within the last three years (no more than five and preferably USEPA agreements) and briefly describe (i) whether, and how, you were able to successfully complete and manage those agreements and (ii) your history of meeting the reporting requirements under those agreements including submitting acceptable final technical reports. If you do not have any relevant or available past performance or reporting information, please indicate this in the proposal and you will receive a neutral score for these factors under [Section V](#). In addition, provide information on your organizational experience and plan for timely and successfully achieving the objectives of the proposed project, and your staff expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the proposed project. Note: The proposal narrative should also include any additional information, to the extent not otherwise addressed above, that addresses the selection criteria found in [Section V.A](#).
- 3. Map(s). A map of the watershed and the proposed work areas must accompany the narrative text.
 - 4. SF 424A. In addition to the narrative text, applicants must provide a detailed breakdown of cost by category for each project on the SF 424A. All project costs including grant administration costs, matching funds, other leveraged funds, and travel, including travel to the annual conference (see [Section VIII.B](#)), should be included.
 - 5. Letter(s) of Support. To substantiate the information contained in the narrative portion of the submission, letters verifying partnerships and matching funds are required. Applicants are encouraged to demonstrate active involvement of both public and private partners via letters of support. All letters must be on the official letterhead of the agency or organization.
 - . Signed letter(s) from active partners indicating their commitment to implementing the workplan or specific proposed projects.
 - A. A minimum of one letter signed by an authorizing official from an entity committing to provide matching funds, either in cash or in-kind contributions,

- including the total value of its commitment toward the projects.
- B. For interjurisdictional consideration, a signed letter(s) from the Governor, Tribal Leader or local government elected official, or the appropriate water agency in the adjacent State, Tribe, or local government entity expressing its support and participation in the proposed project(s).
6. Signed SF 424.

D. Submission Dates and Times

Applicants must send FIVE copies of their complete proposal packages and the CD to Lauma Jurkevics, Division of Financial Assistance, State Water Resources Control Board, 1001 I Street, 15th Floor, Sacramento, CA 95814; telephone: 916-341-5498. Proposals submitted to the above address will be considered if received through courier, hand-delivery, or by express delivery service by 5:00 p.m., October 2, 2006.

E. Intergovernmental Review

If selected for award, applicants must comply with the Intergovernmental Review Process and/or consultation provisions of Section 204, Demonstration Cities and Metropolitan Development Act, if applicable, which are contained in 40 CFR Part 29. Applicants should consult the office or official designated as the single point of contact in his or her state for more information on the process the state requires to be followed in applying for assistance if the state has selected the program for review. Further information regarding this requirement will be provided if your application is selected for funding.

F. Confidential Business Information

In accordance with 40 CFR Part 2.203, applicants may claim all or a portion of their application/proposal as confidential business information. USEPA will evaluate such claims in accordance with 40 CFR Part 2. Applicants must clearly mark applications/proposals or portions of applications/proposals they claim as confidential. If no claim of confidentiality is made, USEPA is not required to make the inquiry to the applicant which is otherwise required by 40 CFR Part 2.204(2) prior to disclosure.

V. Application Review Information

A. Evaluation Criteria

All eligible proposals, based on the [Section III](#) threshold eligibility review, will be evaluated based on the following criteria and weights below. Points will be awarded based on how well each evaluation criterion and/or subcriterion is addressed.

Weight based on a 65 point scale.

20 points	<p>1. Quality of Proposal. Under this criterion, proposals will be evaluated based on the extent and quality to which they describe project(s) that are part of larger watershed assessments and plans and reflect a watershed-based approach to conservation and restoration. Reviewers will evaluate whether the approach is technically/scientifically sound and/or innovative, if the methods are appropriate, and whether there are clear project goals and measurable objectives. Under this criterion, reviewers will focus on the following components:</p> <p>a. Feasibility. The extent and quality to which the applicant demonstrates an understanding of priority water resource problems within the watershed, has substantially completed the assessment and planning phase, and is prepared to begin work. Reviewers will look at level of project development (i.e., the readiness of the project, technical merit, and expected environmental improvements). (15</p>
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	<p>merit, and expected environmental improvements) (15 points).</p> <p>b. Innovation. The extent and quality to which the proposal describes unique, creative or novel approaches to environmental restoration or protection. Emphasis will be placed on how well the proposal demonstrates a thoughtful and strategic approach to problem-solving including, but not limited to, water quality trading (5 points).</p>
15 points	<p>2. Anticipated Outputs and Outcomes. Under this criterion, proposals will be evaluated based on the extent and quality to which a proposal clearly articulates a set of performance and progress measures and identified and measurable indicators as identified in Section I of this announcement.</p> <p>a. Measuring and Monitoring. The extent and quality to which the proposal demonstrates a sound plan for measuring progress toward achieving the expected outputs and outcomes including those identified in Section I of the announcement (10 points).</p> <p>b. Past Performance. The extent and quality to which the applicant adequately documented and/or reported on their progress towards achieving the expected results (outcomes and outputs) under Federal agency assistance agreements performed within the last three years, and if such progress was not being made whether the applicant adequately documented and/or reported why not (5 points).</p> <p>Note: In evaluating applicants under this factor, EPA will consider the information provided by the applicant and may also consider relevant information from other sources including agency files and prior/current grantors (to verify and/or supplement the information supplied by the applicant). Applicants with no relevant or available past performance reporting history will receive a neutral score for this factor of 2.5 points.</p>
5 points	<p>3. Environmental Significance. Under this criterion, proposals will be evaluated based on: (a) the extent and quality to which the proposal demonstrates relevance to solving an important environmental problem in that watershed and reflects state and federal environmental priorities and goals (2.5 points) and (b) the extent and quality to which the proposed project(s) are interrelated to improve the water quality and water resources, including wetlands, within the watershed (2.5 points).</p>
10 points	<p>4. Broad Support. Under this criterion, proposals will be evaluated based on how well they show the applicant's ability to demonstrate and substantiate strong collaborative partnerships and document effective working relationships among state, tribal, local entities, and broad-based community involvement. Scores will be based on the extent and quality to which the applicant can show a wide variety of public, private, and non-profit participation, and the level to which the applicant can demonstrate strong and diverse stakeholder stewardship and support (5 points). Reviewers will also consider</p>

	interjurisdictionality, that is the extent and quality to which the proposal actively involves more than one governmental entity (i.e., federal, state, tribal, or local government entity) (5 points).
5 points	5. Peer Outreach and Information Transfer. Under this criterion, proposals will be evaluated based on the design and breadth of the outreach component. The score will be based on the extent and quality to which the applicant demonstrates a clear strategy for transferring the knowledge and experience garnered to other watershed organizations and agencies with similar environmental challenges both within and beyond the affected watershed.
5 points	6. Financial Integrity. Under this criterion, proposals will be evaluated based on the adequacy of the budget information provided, whether it is reasonable and clearly presented, and the extent to which the applicant can demonstrate a broad range of leveraging capacity.
5 points	<p>7. Programmatic Capability (Technical Experience) and Qualifications of the Applicant. Under this criterion, applicants will be evaluated based on their ability to successfully complete and manage the proposed project taking into account the following factors:</p> <ul style="list-style-type: none"> i. past performance in successfully completing and managing federally funded assistance agreements similar in size, scope, and relevance to the proposed project within the last three years (1 point); ii. history of meeting reporting requirements under federally funded assistance agreements similar in size, scope, and relevance to the proposed project within the last three years and submitting acceptable final technical reports under those agreements (1 point); iii. organizational experience and plan for timely and successfully achieving the objectives of the proposed project (1 point); and iv. staff expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the project (2 points). <p>Note: In evaluating applicants under this factor, the Agency will consider the information supplied by the applicant and may also consider relevant information from other sources including agency files and prior/current grantors (i.e., to verify and/or supplement the information supplied by the applicant). Applicants with no relevant or available past performance information or reporting history (i.e., items (i) and (ii) under this criterion) will receive a neutral score of one-half point for each of those elements.</p>

B. Review and Selection Process

All proposals received by USEPA through the Governor by the USEPA solicitation deadline will be sent to the appropriate USEPA regional office(s) based on project location. All proposals will be evaluated against the threshold criteria listed in [Section III](#) of this announcement. Proposals that do not pass the threshold review will not be considered for funding and the applicant will be so notified.

All eligible proposals within each region will be reviewed and scored by a panel of USEPA regional watershed experts using the evaluation criteria outlined in [Section V.A](#). Based on the review, each regional panel will develop a list of the most highly rated proposals to submit to their Regional Administrator. Based on the panel's scores, each Regional Administrator can recommend up to four proposals to the national panel.

The national panel, which will consist of representatives from agency programs and regional offices, will evaluate the (up to) 40 semi-finalists based on: (1) geographic diversity, (2) amount of funds leveraged, and (3) project diversity. Based on the review of the semi-finalists against these factors, the panel will develop a list of proposals to recommend for funding to submit to the Selection Official (typically the Assistant Administrator for Water) for approval. In making the final award decisions, the Selection Official will consider the national panel's recommendation and may also take into account national program priorities.

VI. Award Administration Information

A. Award Notices

All applicants, including those who are not selected for funding, will be notified by mail. Successful applicant(s) will be invited to submit a complete application package prior to award (see 40 CFR 30.12 and 31.10) that will be due approximately 60 days after being notified. Required forms and instructions for preparing and submitting the completed application will be provided at that time.

USEPA expects to announce its selections early in calendar year 2007. The exact amount of funds to be awarded, specific activities, duration of the projects, and role of the USEPA Project Officer will be determined in the pre-award negotiations between the selected applicant and USEPA.

USEPA reserves the right to negotiate and/or adjust the final grant amount and workplan content prior to award, as appropriate and consistent with Agency policy including the Assistance Agreement Competition Policy, EPA Order 5700.5A1. An approvable workplan is required to include:

1. Workplan components to be funded under the grant or cooperative agreement;
2. Estimated work years and the estimated funding amounts for each workplan component;
3. Workplan commitments for each workplan component and a timeframe for their accomplishment;
4. Performance evaluation process and reporting schedule; and
5. Roles and responsibilities of the recipient and USEPA in carrying out the workplan commitments.

In addition, successful applicants will be required to certify that they have not been Debarred or Suspended from participation in federal assistance awards in accordance with 40 CFR Part 32.

A listing of successful proposals will be posted on <http://www.epa.gov/twg> website address at the conclusion of the competition. This website may also contain information about this announcement including information concerning deadline extensions or other modifications. Applicants will receive a notice of award through postal mail. The notice of award signed by the Award Official (or equivalent) in the Grants Administration Division is the authorizing document, and will be mailed to the individual signing the original application.

B. Administrative and National Policy Requirements

The general award and administration process for all Targeted Watersheds Grants is

governed by regulations at 40 CFR Part 30 ("Uniform Administrative Requirements for Grants and Agreements to Institutions of Higher Education, Hospitals, and Other Non-profit Organizations") and 40 CFR Part 31 ("Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments").

DUNS Number

All applicants are required to provide a number from the Dun and Bradstreet Data Universal Numbering System (DUNS) when applying for federal assistance agreements. Organizations can receive a DUNS number in one day at no cost by calling the dedicated toll-free request line at 1-866-705-5711 or by visiting the web site at <http://www.dnb.com> .

C. Reporting

Project monitoring and reporting requirements can be found in 40 CFR Part 30.50-30.52, 40 CFR Part 31.40-31.41. In general, recipients are responsible for managing the day-to-day operations and activities supported by the grant or cooperative agreement to assure compliance with applicable federal requirements, and for ensuring that established milestones and performance goals are being achieved. Performance reports and financial reports must be submitted quarterly and are due 30 days after the reporting period. The format for these reports will be identified during the grant application time frame, and will include reporting on established performance measures indicated in the project description (i.e., goals, outputs and outcomes). The final report is due 90 days after the assistance agreement has expired.

D. Dispute Process

Assistance agreement competition-related disputes will be resolved in accordance with the dispute resolution procedures published in 70 FR (Federal Register) 3629, 3630 (January 26, 2005), which can be found at: <http://a257.g.akamaitech.net/7/257/2422/01jan20051800/edocket.access.gpo.gov/2005/05-1371.htm>.

E. Administrative Capability Requirement

Nonprofit applicants that are recommended for funding under this announcement may be subject to pre-award administrative capability reviews consistent with Section 8b, 8c, and 9d of EPA Order 5700.8 - Policy on Assessing Capabilities of Non-Profit Applicants for Managing Assistance Awards (http://www.epa.gov/ogd/grants/award/5700_8.pdf). In addition, nonprofit applicants that qualify for funding may, depending on the size of the award, be required to fill out and submit to the Grants Management Office the Administrative Capabilities Form with supporting documents contained in Appendix A of EPA Order 5700.8.

VII. Agency Contacts

Note to Applicants: USEPA will respond to questions from individual applicants regarding threshold eligibility criteria, administrative issues related to the submission of the proposal, and requests for clarification about the announcement. Questions must be submitted in writing and received by USEPA before October 30, 2006 to the appropriate USEPA Regional Contact and written responses will be posted on USEPA's website at: <http://www.epa.gov/twg>. In accordance with USEPA's Competition Policy (EPA Order 5700.5A1), USEPA staff will not meet with individual applicants or discuss draft proposals, provide informal comments on draft proposals, or provide advice to applicants on how to respond to ranking criteria. **Note, however, that proposals must be submitted by October 2, 2006 to the State Water Resources Control Board.**

USEPA Regional Contact:

Region IX: Arizona, California, Hawaii, Nevada, American Samoa, Mariana Islands, Guam
Sam Ziegler; telephone 415-972-3399; e-mail ziegler.sam@epa.gov.

VIII. Other Information

A. Quality Assurance and Quality Control (QA/QC)

Certain quality assurance and/or quality control (QA/QC) and peer review requirements are applicable to the collection of environmental data. Environmental data are any measurements or information that describe environmental processes, location, or condition; ecological or health effects and consequences; or the performance of environmental technology. Environmental data also include information collected directly from measurements, produced from models, and obtained from other sources such as data bases or published literature. Regulations pertaining to QA/QC requirements can be found in 40 CFR Parts 30.54 and 31.45. Additional guidance can be found at http://www.epa.gov/quality/qa_docs.html#noeparqt.

Applicants should allow sufficient time and resources for this process in their proposed projects. If your organization does not have a Quality Management System in place, one must be developed. A project specific Quality Assurance Project Plan (QAPP) must be submitted and approved by USEPA. Allow 4-6 months in your timeline for approval of these plans. All projects will require a QAPP.

B. Assistance Agreement Terms and Conditions

1. Annual Grantee Conference. The grantee must attend the annual National Targeted Watersheds Grantee Conference at the initiation of the project and a subsequent annual conference to be determined in consultation with the USEPA Project Officer. Attendance at two conferences is mandatory. The purpose of these conferences is to provide watershed organizations with training and support to better restore, protect, and manage their watersheds, provide help and assistance regarding Agency grants management requirements and, most importantly, provide grant recipients with opportunities to share successful approaches with each other.

Attendance at a minimum of two conferences will be mandatory and will be included in the Terms and Conditions of the grant or cooperative agreement. The recipient will be allowed to use award funds to pay for travel and lodging. The cost of hosting the conference will be paid for by USEPA. If the recipient wishes to use the award money for travel expenses, these costs must be included in the submitted proposed budget.

2. Information Technology. Also as a Term and Condition of the grant, recipients will be required to institute standardized reporting requirements into their workplans and include such costs in their budgets. All environmental data will be required to be entered into the USEPA's Storage and Retrieval data system (STORET) and recipients may need to purchase appropriate ORACLE software. STORET is a repository for water quality, biological, and other physical data used by state environmental agencies, USEPA and other federal agencies, universities, private citizens, and many other organizations. Information regarding training sessions sponsored by USEPA will be provided. Watershed organizations may also want to contact their state agency responsible for entering data into the system. More information about STORET can be found at <http://www.epa.gov/STORET>.